



# House of Representatives

## File No. 617

General Assembly

February Session, 2002

(Reprint of File No. 290)

House Bill No. 5210  
As Amended by House  
Amendment Schedule "A"

Approved by the Legislative Commissioner  
May 4, 2002

### **AN ACT CONCERNING THE SOUTH CENTRAL CONNECTICUT REGIONAL WATER AUTHORITY AND CONCERNING THE SALE OF WATER TO COMMUNITY WATER SYSTEMS.**

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1 Section 1. Section 22a-518 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2002*):

3 [(a) The jurisdiction of an authority shall be congruent with the  
4 outermost boundaries of its constituent municipalities.]

5 (a) An authority shall have jurisdiction over all or such portions of  
6 the constituent municipalities as may be jointly agreed upon by such  
7 municipalities.

8 (b) Any superior court located within a judicial district that includes  
9 any area within the jurisdiction of an authority shall have jurisdiction  
10 over any dispute involving an authority except actions commenced  
11 pursuant to subsection (b) of section 22a-506.

12 Sec. 2. Section 1 of special act 77-98, as amended by section 5 of

13 special act 99-12, is amended to read as follows (*Effective from passage*):

14 It is found and declared as a matter of legislative determination that  
15 the creation of the South Central Connecticut Regional Water  
16 Authority for the primary purpose of providing and assuring the  
17 provision of an adequate supply of pure water and the safe disposal of  
18 wastewater at reasonable cost within the South Central Connecticut  
19 Regional Water District and such other areas as may be served  
20 pursuant to cooperative agreements and acquisitions authorized by  
21 section 11 of special act 77-98, as amended by section 5 of special act  
22 78-24 and section 3 of special act 84-46 and this act, and, to the degree  
23 consistent with the foregoing, of advancing water conservation and the  
24 conservation and compatible recreational use of land held by the  
25 authority, and the carrying out of its powers, purposes, and duties  
26 under sections 1 to 33, inclusive, of special act 77-98, as amended by  
27 special act 78-24, special act 84-46 and sections 5 to 7, inclusive, of [this  
28 act, are] special act 99-12 and this act, and for the benefit of the people  
29 residing in the South Central Connecticut Regional Water District and  
30 the State of Connecticut, and for the improvement of their health,  
31 safety and welfare, that said purposes are public purposes, and that  
32 the authority will be performing an essential governmental function in  
33 the exercise of its powers under sections 1 to 33, inclusive, of special  
34 act 77-98, as amended by special act 78-24, special act 84-46 and  
35 sections 5 to 7, inclusive, of [this act] special act 99-12 and this act.

36 Sec. 3. Section 2 of special act 77-98, as amended by section 1 of  
37 special act 78-24, is amended to read as follows (*Effective from passage*):

38 As used in sections 1 to 33, inclusive, of special act 77-98, as  
39 amended by [this act] special act 78-24, unless a different meaning  
40 appears in the context: "Authority" means the South Central  
41 Connecticut Regional Water Authority created by section 5 of special  
42 act 77-98, as amended by section 4 of special act 78-24 and this act;  
43 "district" means the South Central Connecticut Regional Water District  
44 created by section 3 of special act 77-98, as amended by section 2 of  
45 special act 78-24; [; "representative policy board"] "Representative

46 policy board" means the representative policy board of the South  
47 Central Connecticut Regional Water District created by section 4 of  
48 special act 77-98, as amended by section 3 of special act 78-24; "chief  
49 executive officer" means that full time employee of the authority  
50 responsible for the execution of the policies of the authority and for the  
51 direction of the other employees of the authority; "treasurer" means the  
52 treasurer of the authority; "customer" means any person, firm,  
53 corporation, company, association or governmental unit furnished  
54 water or wastewater service by the authority or any owner of property  
55 who guarantees payment for water or wastewater service to such  
56 property; "properties" means the water supply and distribution system  
57 or systems, wastewater collection and treatment systems and other real  
58 or personal property of the authority; "bonds" means bonds, notes and  
59 other obligations issued by the authority; "revenues" means all rents,  
60 charges and other income derived from the operation of the properties  
61 of the authority; "wastewater" means any substance, liquid or solid,  
62 which may contaminate or pollute or affect the cleanliness or purity of  
63 any water; "water supply system" means plants, structures and other  
64 real and personal property acquired, constructed or operated for the  
65 purpose of supplying water, including land, reservoirs, basins, dams,  
66 canals, aqueducts, standpipes, conduits, pipelines, mains, pumping  
67 stations, water distribution systems, compensating reservoirs,  
68 waterworks or sources of water supply, wells, purification or filtration  
69 plants or other plants and works, connections, rights of flowage or  
70 diversion and other plants, structures, conveyances, real or personal  
71 property or rights therein and appurtenances necessary or useful and  
72 convenient for the accumulation, supply or distribution of water;  
73 "wastewater system" means plants, structures and other real and  
74 personal property acquired, constructed or operated for the purpose of  
75 collecting, treating and discharging or reusing wastewater, whether or  
76 not interconnected, including wastewater treatment plants, pipes and  
77 conduits for collection of wastewater, pumping stations and other  
78 plants, works, structures, conveyances, real or personal property or  
79 rights therein and appurtenances necessary or useful and convenient  
80 for the collection, transmission, treatment and disposition of

81 wastewater; "subsidiary corporation" means a corporation organized  
82 under the general statutes or by special act which owns or operates all  
83 or part of a water supply system or a wastewater system within the  
84 district and all of the voting stock of which is owned by the authority.  
85 A reference in sections 1 to 33, inclusive, of special act 77-98, as  
86 amended by special act 78-24, and special act 84-46 to any general  
87 statute, public act or special act shall include any amendment or  
88 successor thereto.

89 Sec. 4. Section 3 of special act 77-98, as amended by section 2 of  
90 special act 78-24 and section 1 of special act 84-46, is amended to read  
91 as follows (*Effective from passage*):

92 There is created a district to be known as the "South Central  
93 Connecticut Regional Water District" which embraces the area and  
94 territory of the towns and cities of Ansonia, Beacon Falls, Bethany,  
95 Branford, Cheshire, Derby, East Haven, Guilford, Hamden,  
96 Killingworth, Madison, Milford, New Haven, North Branford, North  
97 Haven, Orange, Oxford, Prospect, Seymour, West Haven and  
98 Woodbridge; provided, in the event at any time after June 30, 1982, the  
99 authority shall neither own land or properties nor sell water or provide  
100 wastewater services directly to customers in any city or town within  
101 the district, the area and territory of such city or town thereupon shall  
102 be excluded from the district.

103 Sec. 5. Subsection (a) of section 4 of special act 77-98, as amended by  
104 section 3 of special act 78-24 and section 2 of special act 84-46, is  
105 amended to read as follows (*Effective from passage*):

106 (a) There shall be a representative policy board of the South Central  
107 Connecticut Regional Water District which shall consist of one elector  
108 from each city and town within the district who shall be appointed by  
109 the chief elected official of such city or town, with the approval of its  
110 legislative body, and one elector of the state who shall be appointed by  
111 the governor. Members shall serve for a term of three years  
112 commencing July 1, except that the members first appointed shall

113 serve terms commencing July 1, 1977, and such members appointed  
114 from Bethany, East Haven, Killingworth, New Haven, Orange and  
115 West Haven shall serve until June 30, 1978, such members appointed  
116 from Branford, Guilford, Madison, North Branford, Prospect and  
117 Woodbridge shall serve until June 30, 1979, such members appointed  
118 from Cheshire, Hamden, Milford, North Haven and Wallingford shall  
119 serve until June 30, 1980, and the member first appointed by the  
120 governor shall serve for a term commencing upon appointment and  
121 ending on the third June thirtieth thereafter; provided members shall  
122 continue to serve until their successors are appointed and have  
123 qualified. In the event of the resignation, death or disability of a  
124 member from any city or town or the state, a successor may be  
125 appointed by the chief elected official of such city or town, or in the  
126 case of the member appointed by the governor, for the unexpired  
127 portion of the term. The chief elected official of each such city or town  
128 may appoint a provisional member to serve until December 1, 1977,  
129 with full authority to act as a member until said date. Members and  
130 provisional members shall receive [fifty] one hundred dollars for each  
131 day in which they are engaged in their duties and shall be reimbursed  
132 for their necessary expenses incurred in the performance of their  
133 duties. They shall elect a chairman and a vice-chairman, who shall be  
134 members or provisional members of the representative policy board,  
135 and a secretary. The chairman shall receive a per diem payment of 1.5  
136 times the amount paid to members and provisional members. The  
137 representative policy board shall meet at least quarterly with the  
138 authority and such members of the staff of the authority as the  
139 representative policy board deems appropriate.

140 Sec. 6. Section 10 of special act 77-98 is amended to read as follows  
141 (*Effective from passage*):

142 Whenever a public hearing is required under sections 1 to 33,  
143 inclusive, of [this act] special act 77-98, as amended by special act 78-24  
144 and this act, notice of such hearing shall be published by the  
145 representative policy board at least twenty days before the date set  
146 therefor, in a newspaper or newspapers having a general circulation in

147 each city and town comprising the district. Such notice shall set forth  
148 the date, time and place of such hearing and shall include a description  
149 of the matters to be considered at such hearing. A copy of the notice  
150 shall be filed in the office of the clerk of each such city and town and  
151 shall be available for inspection by the public. At such hearings, all the  
152 users of the water supply system or the wastewater system, owners of  
153 property served or to be served and other interested persons shall have  
154 an opportunity to be heard concerning the matters under  
155 consideration. When appropriate, the chairman of the representative  
156 policy board may convene more than one hearing on any matter and  
157 direct such hearings to be held in suitable locations within the district  
158 so as to assure broader participation by the general public in  
159 discussion of the matters under consideration, provided in the case of  
160 the sale or transfer of real property pursuant to section 18 of special act  
161 77-98, as amended by section 7 of special act 78-24 and this act, a public  
162 hearing shall be held in the city or town in which such real property is  
163 situated. Any decision of the representative policy board on matters  
164 considered at such public hearing shall be in writing and shall be  
165 published in a newspaper or newspapers having a general circulation  
166 in each city and town comprising the district within thirty days after  
167 such decision is made.

168 Sec. 7. Section 11 of special act 77-98, as amended by section 5 of  
169 special act 78-24 and section 3 of special act 84-46, is amended to read  
170 as follows (*Effective from passage*):

171 Subject to the provisions of sections 1 to 33, inclusive, of special act  
172 77-98, as amended by special act 78-24, special act 84-46, sections 5 to 7,  
173 inclusive, of special act 99-12, and this act, the authority shall have the  
174 power: (a) To sue and be sued; (b) to have a seal and alter the same at  
175 its pleasure; (c) to acquire in the name of the authority by purchase,  
176 lease or otherwise and to hold and dispose of personal property or any  
177 interest therein, including shares of stock of a subsidiary corporation;  
178 (d) to acquire in the name of the authority by purchase, lease or  
179 otherwise and to hold and dispose of any real property or interest  
180 therein, including water rights and rights of way and water discharge

181 rights, which the authority determines to be necessary or convenient,  
182 and to acquire any existing wastewater system or water supply system  
183 or parts thereof which are wholly or partially within the district as  
184 described under section [1 of this act] 3 of special act 78-24, as  
185 amended by section 2 of special act 78-24, section 1 of special act 84-46  
186 and this act. As a means of so acquiring, the authority or a subsidiary  
187 corporation may purchase all of the stock or all or any part of the  
188 assets and franchises of any existing privately owned water or  
189 wastewater company, whereupon the authority or such subsidiary  
190 corporation shall succeed to all rights, powers and franchises thereof.  
191 Sections 16-43, 16-50c and 16-50d of the general statutes shall not apply  
192 to any action by the authority or a subsidiary corporation or any action  
193 by any privately owned water company or sewage company, as  
194 defined in section 16-1 of the general statutes, taken to effectuate the  
195 acquisition of the stock or all or any part of the assets and franchises of  
196 such water company or sewage company by the authority, provided  
197 section 16-43 shall apply to any action taken to effectuate the  
198 acquisition of the stock or all or any part of the assets and franchises of  
199 the Ansonia Derby Water Company by the authority. Notwithstanding  
200 any provision of section 25-32 of the general statutes, land may be  
201 transferred to the authority or a subsidiary corporation of the authority  
202 as part of such an acquisition. The commissioner of health services  
203 shall not grant a permit for a change in the use of any class I or class II  
204 land owned by the Ansonia Derby Water Company on the effective  
205 date of this section and not transferred to the authority or a subsidiary  
206 corporation or a permit for the sale, lease or assignment of any such  
207 class II land, unless (1) all provisions of section 25-32 are complied  
208 with, and (2) the commissioner of health services determines, after  
209 holding a hearing, notice of which shall be published not later than  
210 thirty days before the hearing in one or more newspapers having a  
211 substantial circulation in the municipalities in which the land is  
212 located, that such change in the use or sale, lease, or assignment of the  
213 land will not have a significant adverse impact upon present and  
214 future water supply needs of the authority or a subsidiary corporation  
215 of the authority; (e) to construct and develop any water supply system

216 or any wastewater system; (f) to own, operate, maintain, repair,  
217 improve, construct, reconstruct, replace, enlarge and extend any of its  
218 properties; (g) any provision in any general statute, special act or  
219 charter to the contrary notwithstanding, but subject to the provisions  
220 of section 12 of special act 77-98, as amended by this act, and section 28  
221 of special act 77-98, as amended by section 9 of special act 78-24, to sell  
222 water, however acquired, to customers within the district or to any  
223 municipality or water company; (h) any provisions in any general  
224 statute, special act or charter to the contrary notwithstanding, to  
225 purchase water approved by the commissioner of health from any  
226 person, private corporation or municipality when necessary or  
227 convenient for the operation of any water supply system operated by  
228 the authority; (i) to adopt and amend bylaws, rules and regulations for  
229 the management and regulation of its affairs and for the use and  
230 protection of the water and properties of the authority or a subsidiary  
231 corporation and, subject to the provisions of any resolution  
232 authorizing the issuance of bonds, rules for the sale of water, the  
233 collection and processing of wastewater and the collection of rents and  
234 charges [therefore] for both water supply and wastewater functions. A  
235 copy of such bylaws, rules and regulations and all amendments  
236 thereto, certified by the secretary of the authority, shall be filed in the  
237 office of the secretary of the state and with the clerk of each town and  
238 city within the district. Any superior court located within the district  
239 shall have jurisdiction over any violation of such bylaws, rules or  
240 regulations and the authority may prosecute actions before the  
241 superior court to enforce such bylaws, rules and regulations; (j) to  
242 make contracts and to execute all necessary or convenient instruments,  
243 including evidences of indebtedness, negotiable or non-negotiable; (k)  
244 to borrow money, to issue negotiable bonds or notes, to fund and  
245 refund the same and to provide for the rights of the holders of the  
246 authority's obligations; (l) to open the grounds in any public street or  
247 way or public grounds for the purpose of laying, installing,  
248 maintaining or replacing pipes and conduits, provided upon the  
249 completion of such work the grounds shall be restored to the condition  
250 they were in previously; (m) to enter into cooperative agreements with

251 other water authorities, municipalities, water districts, [or] water  
252 companies or water pollution control authorities within or without the  
253 district for interconnection of facilities, for exchange or interchange of  
254 services and commodities or for any other lawful purpose necessary or  
255 desirable to effect the purposes of sections 1 to 33, inclusive, of special  
256 act 77-98, as amended by special act 78-24, special act 84-46 and  
257 sections 5 to 7, inclusive, of special act 99-12, such agreements to be  
258 binding for a period specified therein; (n) to acquire, hold, develop and  
259 maintain land and other real estate and waters for conservation and for  
260 compatible active and passive recreational purposes and to levy  
261 charges for such uses, provided the state department of health finds  
262 that such uses will not harm the quality of water provided by the  
263 authority; (o) to apply for and accept grants, loans or contributions  
264 from the United States, the state of Connecticut or any agency,  
265 instrumentality or subdivision of either of them or from any person,  
266 and to expend the proceeds for any of its purposes; (p) to create  
267 programs and policies for the purpose of conserving water; (q) to do  
268 any and all things necessary or convenient to carry out the powers  
269 expressly given in sections 1 to 33, inclusive, of special act 77-98, as  
270 amended by special act 78-24, special act 84-76, and sections 5 to 7,  
271 inclusive, of special act 99-12 and this act, including the powers  
272 granted by the general statutes to stock corporations, except the power  
273 to issue stock, and the powers granted by the general statutes to water  
274 pollution control authorities.

275 Sec. 8. Section 12 of special act 77-98 is amended to read as follows  
276 (*Effective from passage*):

277 The authority shall not sell water to customers in any part of the  
278 district with respect to which any person, any firm or any corporation  
279 incorporated under the general statutes or any special act has been  
280 granted a franchise to operate as a water company, as defined in  
281 section 16-1 of the general statutes, or in which any town, city or  
282 borough or any district organized for municipal purposes operates a  
283 municipal water supply system, unless the legislative body of such  
284 town, city, borough or district, such person, or the governing board of

285 such firm or corporation shall consent in writing to such sale by the  
286 authority. The authority shall not extend wastewater services into new  
287 areas previously unserved without the approval of either the  
288 legislative body of the town, city, borough or district in which such  
289 area is located or a duly authorized water pollution control authority.  
290 Notwithstanding the provisions of any town or district charter, any  
291 town or district may sell or transfer a wastewater system to the  
292 authority with the approval of the legislative body of such town or  
293 district after a public hearing.

294 Sec. 9. Subsection (a) of section 13 of special act 77-98 is amended to  
295 read as follows (*Effective from passage*):

296 (a) Except with respect to (1) any real or personal property or  
297 interest therein, the legal title to which is vested in the state or a  
298 political subdivision thereof, [or with respect to] (2) any existing water  
299 supply system, or (3) any existing wastewater system, if such authority  
300 cannot agree with any owner upon the terms of acquisition by the  
301 authority of any real or personal property or interest therein which the  
302 authority is authorized to acquire, the authority may proceed, at its  
303 election, in the manner provided in subsection (b) or in the manner  
304 provided in subsection (c) of this section.

305 Sec. 10. Section 14 of special act 77-98, as amended by section 6 of  
306 special act 78-24 and section 6 of special act 99-12, is amended to read  
307 as follows (*Effective from passage*):

308 With the approval of the representative policy board, the authority  
309 shall establish just and equitable rates or charges for the use of the  
310 water supply system and the wastewater system authorized herein, to  
311 be paid by any customer, and may change such rates or charges from  
312 time to time. Such water supply system rates or charges shall be  
313 established so as to provide funds sufficient in each year, with other  
314 water supply related revenues, if any, (a) to pay the cost of  
315 maintaining, repairing and operating the water supply system and  
316 each and every portion thereof, to the extent that adequate provision

317 for the payment of such cost has not otherwise been made, (b) to pay  
318 the principal of and the interest on outstanding water supply bonds of  
319 the authority as the same shall become due and payable, (c) to meet  
320 any requirements of any resolution authorizing, or trust agreement  
321 securing, such bonds of the authority, (d) to make payments in lieu of  
322 taxes as provided in section 21 of special act 77-98, as amended by  
323 section 8 of special act 78-24 and this act, as the same become due and  
324 payable, upon the water supply system properties of the authority or  
325 of a subsidiary corporation to the municipalities in which such  
326 properties are situated, (e) to provide for the maintenance,  
327 conservation and appropriate recreational use of the land of the  
328 authority, and (f) to pay all other reasonable and necessary expenses of  
329 the authority and of the representative policy board to the extent that  
330 such expenses are allocable to the water supply system activities of the  
331 authority and the representative policy board. Such wastewater system  
332 rates or charges shall be established so as to provide funds sufficient in  
333 each year with other wastewater related revenues, if any, (1) to pay the  
334 cost of maintaining, repairing and operating the wastewater system  
335 and each and every portion thereof, to the extent that adequate  
336 provision for the payment of such cost has not otherwise been made,  
337 (2) to pay the principal of and the interest on outstanding wastewater  
338 bonds of the authority as the same shall become due and payable, (3)  
339 to meet any requirements of any resolution authorizing, or trust  
340 agreement securing, such bonds of the authority, (4) to pay all other  
341 reasonable and necessary expenses of the authority and of the  
342 representative policy board to the extent that such expenses are  
343 allocable to the wastewater activities of the authority and of the  
344 representative policy board. No such rate or charge shall be  
345 established until it has been approved by the representative policy  
346 board, after said board has held a public hearing at which all the users  
347 of the waterworks system or the wastewater system, the owners of  
348 property served or to be served and others interested have had an  
349 opportunity to be heard concerning such proposed rate or charge. The  
350 representative policy board shall approve such rates and charges  
351 unless it finds that such rates and charges will provide funds in excess

352 of the amounts required for the purposes described previously in this  
353 section, or unless it finds that such rates and charges will provide  
354 funds insufficient for such purposes. The rates or charges so  
355 established for any class of users or property served shall be extended  
356 to cover any additional premises thereafter served which are within  
357 the same class, without the necessity of a hearing thereon. Any change  
358 in such rates or charges shall be made in the same manner in which  
359 they were established. The rates or charges levied upon any customer  
360 of any water supply system acquired pursuant to subsection (d) of  
361 section 11 of special act 77-98, as amended by section 5 of special act  
362 78-24, [and] section 3 of special act 84-46 and this act or served  
363 pursuant to a cooperative agreement pursuant to subsection (m) of  
364 said section 11 shall not be required to be equalized with the  
365 authority's existing rates, but may be set on a separate basis, provided  
366 such rates are just, equitable and nondiscriminatory. Such rates or  
367 charges, if not paid when due, shall constitute a lien upon the premises  
368 served and a charge against the owners thereof, which lien and charge  
369 shall bear interest at the same rate as would unpaid taxes. Such lien  
370 shall take precedence over all other liens or encumbrances except taxes  
371 and may be foreclosed against the lot or building served in the same  
372 manner as a lien for taxes, provided all such liens shall continue until  
373 such time as they shall be discharged or foreclosed by the authority  
374 without the necessity of filing certificates of continuation, but in no  
375 event for longer than ten years. The amount of any such rate or charge  
376 which remains due and unpaid for thirty days may, with interest  
377 thereon at the same rate as unpaid taxes and with reasonable  
378 attorneys' fees, be recovered by the authority in a civil action in the  
379 name of the authority against such owners. Any municipality shall be  
380 subject to the same rate or charges under the same conditions as other  
381 users of [such] the water supply system or the wastewater system. The  
382 assets or the revenues of the water system shall not be available to  
383 satisfy debts, judgments or other obligations arising out of the  
384 operation of the wastewater system and the assets or the revenues of  
385 the wastewater system shall not be available to satisfy debts,  
386 judgments or other obligations arising out of the operation of the water

387 system.

388 Sec. 11. Subsection (a) of section 15 of special act 77-98, as amended  
389 by section 7 of special act 99-12, is amended to read as follows (*Effective*  
390 *from passage*):

391 (a) The representative policy board shall establish an office of  
392 consumer affairs to act as the advocate for consumer interests in all  
393 matters which may affect consumers, including without limitation  
394 matters of rates, water quality and supply and wastewater service  
395 quality. The costs of such office of consumer affairs, unless otherwise  
396 provided by the state, shall be paid by the authority.

397 Sec. 12. Section 16 of special act 77-98 is amended to read as follows  
398 (*Effective from passage*):

399 All contracts in excess of [five] fifty thousand dollars for any  
400 supplies, materials, equipment, construction work or other contractual  
401 services shall be in writing and shall be awarded upon sealed bids or  
402 proposals made in compliance with a public notice duly advertised by  
403 publication at least ten days before the time fixed for opening said bids  
404 or proposals, except for contracts for professional services, when the  
405 supplies, materials, equipment or work can only be furnished by a  
406 single party or when the authority determines by a two-thirds vote of  
407 the entire authority that the award of such contract by negotiation  
408 without public bidding will be in the best interest of the authority. The  
409 authority may in its sole discretion reject all such bids or proposals or  
410 any bids received from a person, firm or corporation the authority  
411 finds to be unqualified to perform the contract, and shall award such  
412 contract to the lowest responsible bidder qualified to perform the  
413 contract.

414 Sec. 13. Subsection (b) of section 17 of special act 77-98 is amended  
415 to read as follows (*Effective from passage*):

416 (b) No member or employee of the representative policy board or of  
417 the authority shall accept or receive, directly or indirectly, from any

418 person, firm or corporation to which any contract or purchase order  
419 may be awarded, by rebate, gift or otherwise, any [money, or any thing  
420 of value or any] promise, obligation or contract for future reward or  
421 compensation or any money or any thing of value in excess of ten  
422 dollars, provided the aggregate value of all such things provided by a  
423 donor to a recipient in any calendar year shall not exceed fifty dollars  
424 and, excluding any food or beverage or food and beverage, costing less  
425 than fifty dollars in the aggregate per recipient in a calendar year, and  
426 consumed on an occasion or occasions at which the person paying,  
427 directly or indirectly, for the food or beverage, or his representative, is  
428 in attendance. Any person who violates any provision of this  
429 subsection shall be fined not more than five hundred dollars or  
430 imprisoned for not more than six months or both.

431 Sec. 14. Section 18 of special act 77-98, as amended by section 7 of  
432 special act 78-24, is amended to read as follows (*Effective from passage*):

433 (a) Notwithstanding any other provision of sections 1 to 33,  
434 inclusive, of [this act] special act 77-98, as amended by special act 78-  
435 24, and this act, the authority shall not sell or otherwise transfer any  
436 unimproved real property or any interest or right therein, except for  
437 access or utility purposes, or develop such property for any use not  
438 directly related to a water supply function, other than for public  
439 recreational use not prohibited by section 25-43c of the general  
440 statutes, until the land use standards and disposition policies required  
441 by subsection (b) of this section have been approved by the  
442 representative policy board, unless the chief executive officer of the  
443 town or city in which such property is located has approved such sale,  
444 transfer or development in writing. The provisions of this section shall  
445 not apply to any portion of a wastewater system.

446 (b) Within two years from the date it acquires all or part of a water  
447 supply system, the authority shall develop and submit to the  
448 representative policy board for approval (1) standards for determining  
449 the suitability of its real property for categories of land use, including  
450 which, if any, of its real property may be surplus with regard to the

451 purity and adequacy of both present and future water supply, which,  
452 if any, may be desirable for specified modes of recreation or open  
453 space use and which may be suitable for other uses, giving due  
454 consideration to the state plan of conservation and development, to  
455 classification and performance standards recommended in the final  
456 report of the council on water company lands pursuant to subsection  
457 (c) of section 16-49c of the general statutes and to such other plans and  
458 standards as may be appropriate, and (2) policies regarding the  
459 disposition of its real property including identification of dispositions  
460 which are unlikely to have any significant effect on the environment.  
461 Prior to approving any standards or policies specified in this  
462 subsection, the representative policy board shall hold one or more  
463 public hearings to consider the proposed standards and policies. The  
464 proposed standards and policies shall be available for public  
465 inspection in the offices of the authority from the date notice of such  
466 hearing is published. The authority may amend such standards and  
467 policies from time to time with the approval of the representative  
468 policy board, which shall hold public hearings if it deems such  
469 amendments substantial.

470 (c) After approval of land use standards and disposition policies in  
471 the manner provided in subsection (b) of this section, the authority  
472 shall not sell or otherwise transfer any real property or any interest or  
473 right therein, except for access or utility purposes, or develop such  
474 property for any use not directly related to a water supply function,  
475 other than for public recreational use not prohibited by section 25-43c  
476 of the general statutes, without the approval of a majority of the  
477 weighted votes of all of the members of the representative policy board  
478 in the case of a parcel of twenty acres or less, and by three-fourths of  
479 the weighted votes of all of the members of said board in the case of a  
480 parcel in excess of twenty acres. The representative policy board shall  
481 not approve such sale or other transfer unless it determines, following  
482 a public hearing, that the proposed action (1) conforms to the  
483 established standards and policies of the authority, (2) is not likely to  
484 affect the environment adversely, particularly with respect to the

485 purity and adequacy of both present and future water supply, and (3)  
486 is in the public interest, giving due consideration, among other factors,  
487 to the financial impact of the proposed action on the customers of the  
488 authority and on the municipality in which the real property is located.

489 (d) Each request by the authority for approval pursuant to  
490 subsection (c) shall be accompanied by an evaluation of the potential  
491 impact of the proposed action for which approval is requested, which  
492 shall include: (1) A description of the real property and its  
493 environment, including its existing watershed function and the costs to  
494 the authority of maintaining such property in its current use; (2) a  
495 statement that the proposed action conforms to the land classification  
496 standards and disposition policies of the authority; (3) a detailed  
497 statement of the environmental impact of the proposed action and, if  
498 appropriate, of any alternatives to the proposed action, considering (A)  
499 direct and indirect effects upon the purity and adequacy of both  
500 present and future water supply, (B) the relationship of the proposed  
501 action to existing land use plans, including municipal and regional  
502 land use plans and the state plan of conservation and development, (C)  
503 any adverse environmental effects which cannot be avoided if the  
504 proposed action is implemented, (D) any irreversible and irretrievable  
505 commitments of resources which would be involved should the  
506 proposed action be implemented, and (E) any mitigation measures  
507 proposed to minimize adverse environmental impacts; except that for  
508 a sale or transfer identified in accordance with subsection (b) as being  
509 unlikely to have any significant effect on the environment, the  
510 authority may submit a preliminary assessment of the impact likely to  
511 occur in lieu of such detailed statement of environmental impact, and  
512 the representative policy board may, on the basis of such preliminary  
513 assessment, waive or modify the requirements for such detailed  
514 statement; and (4) a summary of the final evaluation and  
515 recommendation of the authority.

516 (e) The representative policy board shall submit the evaluation  
517 required by subsection (d) of this section for comment and review, at  
518 least sixty days in advance of the public hearing, to the department of

519 health, the department of planning and energy policy, the regional  
520 planning agency for the region, the chief executive officer of the city or  
521 town in which that real property is situated and other appropriate  
522 agencies, and shall make such evaluation available to the public for  
523 inspection. The decision of the representative policy board approving  
524 or disapproving the proposed action shall be published in a  
525 newspaper or newspapers having a general circulation within the  
526 district and copies of such decision shall be filed with the clerk of each  
527 town and city in the district.

528 (f) Whenever the authority intends to sell or otherwise transfer any  
529 unimproved real property or any interest or right therein after  
530 approval by the representative policy board, the authority shall first  
531 notify in writing, by certified mail, return receipt requested, the  
532 commissioner of environmental protection and the legislative body of  
533 the city or town in which such land is situated, of such intention to sell  
534 or otherwise transfer such property and the terms of such sale or other  
535 transfer, and no agreement to sell or otherwise transfer such property  
536 may be entered into by the authority except as provided in this  
537 subsection. (1) Within ninety days after such notice has been given, the  
538 legislative body of the city or town or the commissioner of  
539 environmental protection may give written notice to the authority by  
540 certified mail, return receipt requested, of the desire of the city, town  
541 or state to acquire such property and each shall have the right to  
542 acquire the interest in the property which the authority has declared its  
543 intent to sell or otherwise transfer, provided the state's right to acquire  
544 the property shall be secondary to that of the city or town. (2) If the  
545 legislative body of the city or town or the commissioner of  
546 environmental protection fails to give notice as provided in  
547 subdivision (1) or gives notice to the authority by certified mail, return  
548 receipt requested, that the city, town or state does not desire to acquire  
549 such property, the city or town or the state shall have waived its right  
550 to acquire such property in accordance with the terms of this  
551 subsection. (3) Within eighteen months after notice has been given as  
552 provided in subdivision (1) by the city or town or the state of its desire

553 to acquire such property, the authority shall sell the property to the  
554 city or town or the state, as the case may be, or, if the parties cannot  
555 agree upon the amount to be paid therefor, the city or town or the state  
556 may proceed to acquire the property in the manner specified for  
557 redevelopment agencies in accordance with sections 8-128 to 8-133,  
558 inclusive, of the general statutes, provided property subject to the  
559 provisions of subsections (b) and (c) of section 25-32 of the general  
560 statutes shall not be sold without the approval of the department of  
561 health. (4) If the city or town or the state fails to acquire the property or  
562 to proceed as provided in said sections within eighteen months after  
563 notice has been given by the city or town or the state of its desire to  
564 acquire the property, such city or town or the state shall have waived  
565 its rights to acquire such property in accordance with the terms of this  
566 subsection. (5) Notwithstanding the provisions of section 21 of [this  
567 act] special act 77-98, as amended by section 8 of special act 78-24 and  
568 this act, the authority shall not be obligated to make payments in lieu  
569 of taxes on such property for the period from the date the city or town  
570 gives notice of its desire to acquire such property to the date it either  
571 acquires or waives its right to acquire such property. (6)  
572 Notwithstanding the provisions of subdivision (4) if the authority  
573 thereafter proposes to sell or otherwise transfer such property to any  
574 person subject to less restrictions on use for a price less than that  
575 offered by the authority to the city or town and the state, the authority  
576 shall first notify the city or town and the commissioner of  
577 environmental protection of such proposal in the manner provided in  
578 subdivision (1), and such city or town and the state shall again have  
579 the option to acquire such property and may proceed to acquire such  
580 property in the same manner and within the same time limitations as  
581 are provided in subdivisions (1) to (4), inclusive, of this subsection. (7)  
582 The provisions of this subsection shall not apply to transfers of real  
583 property from the authority to any public service company. (8) A copy  
584 of each notice required by this subsection shall be sent by the party  
585 giving such notice to the clerk of the town or city in which the real  
586 property is situated and such clerk shall make all such notices part of  
587 the appropriate land records.

588 (g) Nothing contained in this section shall be construed to deprive  
589 the state department of health of its jurisdiction under section 25-32 of  
590 the general statutes. The authority shall notify the state commissioner  
591 of health of any proposed sale or other transfer of land, or change of  
592 use as required by said section.

593 (h) The authority shall use the proceeds of any sale or transfer under  
594 this section solely for capital improvements to its remaining properties,  
595 acquisition of real property or any interest or right therein, retirement  
596 of debt or any combination of such purposes.

597 (i) The provisions of this section shall apply to any unimproved real  
598 property or any interest or right therein related to the water supply  
599 system whether owned or possessed by the authority or by any  
600 subsidiary corporation.

601 Sec. 15. Section 19 of special act 77-98 is amended to read as follows  
602 (*Effective from passage*):

603 The authority shall not acquire, by purchase, lease or otherwise, any  
604 existing water supply system or parts thereof, any wastewater system  
605 or parts thereof or commence any project costing more than [three]  
606 two million dollars to repair, improve, construct, reconstruct, enlarge  
607 and extend any of its properties or systems without the approval,  
608 following a public hearing, of a majority of the total weighted votes of  
609 the membership of the representative policy board. In the case of the  
610 first acquisition by the authority of an existing water supply system or  
611 part thereof, after such approval by the representative policy board the  
612 authority shall file with the town clerk of each city and town in the  
613 district its plan for such acquisition. The legislative body of each such  
614 city and town shall approve or disapprove such acquisition plan  
615 within sixty days after such filing, provided failure to disapprove  
616 within such sixty days shall be deemed approval of such acquisition  
617 plan. The authority shall not first acquire an existing water supply  
618 system or part thereof except in accordance with an acquisition plan  
619 approved by at least sixty per cent of such legislative bodies.

620 Sec. 16. Subsection (a) of section 21 of special act 77-98, as amended  
621 by section 8 of special act 78-24, is amended to read as follows (*Effective*  
622 *from passage*):

623 (a) Neither the authority nor a subsidiary corporation shall be  
624 required to pay taxes or assessments upon any of the properties  
625 acquired by it or under its jurisdiction, control or supervision,  
626 provided in lieu of such taxes or assessments the authority shall make  
627 annual payments to each municipality in which it or a subsidiary  
628 corporation owns property related to the water supply system equal to  
629 the taxes which would otherwise be due for the property of the  
630 authority or such subsidiary corporation in such municipality,  
631 excluding any improvements made to or constructed on any such real  
632 property by the authority or such subsidiary corporation, provided  
633 land owned by the authority or a subsidiary corporation related to the  
634 water supply system shall be assessed in accordance with section 12-63  
635 of the general statutes, and provided further payments for property  
636 acquired by the authority or a subsidiary corporation during any tax  
637 year shall be adjusted for such fractional year in accordance with the  
638 customary practice in such municipality for adjusting taxes between  
639 the buyer and seller of real property. In addition, the authority or a  
640 subsidiary corporation shall reimburse each such municipality for its  
641 expenses in providing municipal services to any improvements made  
642 to or constructed on any real property by the authority or such  
643 subsidiary corporation within such municipality. As used in this  
644 section, "improvements" does not include water pipes or  
645 improvements to water pipes.

646 Sec. 17. Section 22 of special act 77-98 is amended to read as follows  
647 (*Effective from passage*):

648 (a) The authority, subject to the approval of the representative  
649 policy board, shall have the power and is authorized from time to time  
650 to issue its negotiable bonds for any of its corporate purposes,  
651 including incidental expenses in connection therewith, and to secure  
652 the payment of the same by a lien or pledge covering all or part of its

653 contracts, earnings or revenues. The authority shall have power from  
654 time to time, whenever it deems refunding expedient, to refund any  
655 bonds by the issuance of new bonds within the terms of any refunding  
656 provisions of its bonds, whether the bonds to be refunded have or  
657 have not matured, and may issue bonds partly to refund bonds then  
658 outstanding and partly for any of its public purposes. Except as may  
659 be otherwise expressly provided by the authority, every issue of bonds  
660 by the authority shall be preferred obligations, taking priority over all  
661 other claims against the authority, including payments in lieu of taxes  
662 to any municipality, and payable out of any moneys, earnings or  
663 revenues of the authority, subject only to any agreements with the  
664 holders of particular bonds pledging any particular moneys, earnings  
665 or revenues. Notwithstanding the fact that the bonds may be payable  
666 from a special fund, if they are otherwise of such form and character as  
667 to be negotiable instruments under the terms of the uniform  
668 commercial code, the bonds shall be negotiable instruments within the  
669 meaning of and for all the purposes of the uniform commercial code,  
670 subject only to the provisions of the bonds for registration.

671 (b) The bonds shall be authorized by resolution of the authority and  
672 shall bear such date or dates, mature at such time or times, not  
673 exceeding forty years from their respective dates, bear interest at such  
674 rates per annum, not exceeding statutory limitations, be payable at  
675 such times, be in such denomination, be in such form, either coupon or  
676 registered, carry such registration privileges, be executed in such  
677 manner, be payable in lawful money of the United States of America,  
678 at such place or places, and be subject to such terms of redemption as  
679 such resolution or resolutions may provide. All bonds of the authority  
680 shall be sold through a negotiated sale or a public sale [upon sealed  
681 bids] to the bidder who shall offer the lowest [net interest] true interest  
682 cost to the authority, to be determined by the authority. [The notice of  
683 sale shall be published at least once, not less than ten nor more than  
684 forty days before the date of sale, in a financial newspaper circulated in  
685 the state of Connecticut and the city of New York and designated by  
686 the authority. The notice shall call for the receipt of sealed bids and

687 shall fix the date, time and place of sale.]

688 (c) Any resolution or resolutions authorizing any bonds or any issue  
689 of bonds may contain provisions which shall be a part of the contract  
690 with the holders of the bonds thereby authorized as to (1) pledging all  
691 or any part of the moneys, earnings, income and revenues derived  
692 from all or any part of the properties of the authority to secure the  
693 payment of the bonds or of any issue of the bonds subject to such  
694 agreement with the bondholders as may then exist; (2) the rates,  
695 rentals, fees and other charges to be fixed and collected and the  
696 amounts to be raised in each year thereby, and the use and disposition  
697 of the earnings and other revenues; (3) the setting aside of reserves and  
698 the creation of sinking funds and the regulation and disposition  
699 thereof; (4) limitations on the rights of the authority to restrict and  
700 regulate the use of the properties in connection with which such bonds  
701 are issued; (5) limitations on the purposes to which, and the manner in  
702 which, the proceeds of sale of any issue of bonds may be applied; (6)  
703 limitations on the issuance of additional bonds, the terms upon which  
704 additional bonds may be issued and secured, and the refunding of  
705 outstanding or other bonds; (7) the procedure, if any, by which the  
706 terms of any contract with bondholders may be amended or  
707 abrogated, the amount of bonds the holders of which must consent  
708 thereto and the manner in which such consent may be given; (8) the  
709 creation of special funds into which any earnings or revenues of the  
710 authority may be deposited; (9) the terms and provisions of any trust  
711 deed or indenture securing the bonds or under which bonds may be  
712 issued; (10) definitions of the acts or omission to act which shall  
713 constitute a default in the obligations and duties of the authority to the  
714 bondholders and providing the rights and remedies of the  
715 bondholders in the event of such default, including as a matter of right  
716 the appointment of a receiver, provided such rights and remedies shall  
717 not be inconsistent with the general laws of this state; (11) limitations  
718 on the power of the authority to sell or otherwise dispose of its  
719 properties; (12) any other matters, of like or different character, which  
720 in any way affect the security or protection of the bonds; and (13)

721 limitations on the amount of moneys derived from the properties to be  
722 expended for operating, administrative or other expenses of the  
723 authority.

724 (d) The authority may obtain from a commercial bank or insurance  
725 company a letter of credit, line of credit or other liquidity facility or  
726 credit facility for the purpose of providing funds for the payments in  
727 respect of bonds, notes or other obligations required by the holder  
728 thereof to be redeemed or repurchased prior to maturity or for  
729 providing additional security for such bonds, notes or other  
730 obligations. In connection therewith, the authority may enter into  
731 reimbursement agreements, remarketing agreements, standby bond  
732 purchase agreements and any other necessary or appropriate  
733 agreements. The authority may pledge all or any part of the moneys,  
734 earnings, income and revenues derived from all or any part of the  
735 properties of the authority and any other property which may be  
736 pledged to bondholders to secure its payment obligations under any  
737 agreement or contract entered into pursuant to this section subject to  
738 such agreements with the bondholders as may then exist.

739 (e) In connection with or incidental to the carrying of bonds or notes  
740 or in connection with or incidental to the sale and issuance of bonds or  
741 notes, the authority may enter into such contracts to place the  
742 obligation of the authority, as represented by the bonds or notes, in  
743 whole or in part, on such interest rate or cash flow basis as the  
744 authority may determine, including without limitation, interest rate  
745 swap agreements, insurance agreements, forward payment conversion  
746 agreements, contracts providing for payments based on levels of, or  
747 changes in, interest rates or market indices, contracts to manage  
748 interest rate risk, including, without limitation, interest rate floors or  
749 caps, options, puts, calls and similar arrangements. Such contracts  
750 shall contain such payment, security, default, remedy and other terms  
751 and conditions as the authority may deem appropriate and shall be  
752 entered into with such party or parties as the authority may select,  
753 after giving due consideration, where applicable, for the  
754 creditworthiness of the counter party or counter parties, provided such

755 parties or counter parties shall be a financial institution whose  
756 unsecured long-term obligations are rated within the top two rating  
757 categories of any nationally recognized rating service. The authority  
758 may pledge all or any part of the moneys, earnings, income and  
759 revenues derived from all or any part of the properties of the authority  
760 and any other property which may be pledged to bondholders to  
761 secure its payment obligations under any agreement or contract  
762 entered into pursuant to this section subject to such agreements with  
763 the bondholders as may then exist.

764     [(d)] (f) It is the intention of the general assembly that any pledge of  
765 earnings, revenues or other moneys made by the authority shall be  
766 valid and binding from the time when the pledge is made; that the  
767 earnings, revenues or other moneys so pledged and thereafter received  
768 by the authority shall immediately be subject to the lien of such pledge  
769 without any physical delivery thereof or further act, and that the lien  
770 of any such pledge shall be valid and binding as against all parties  
771 having claims of any kind in tort, contract or otherwise against the  
772 authority irrespective of whether such parties have notice thereof.  
773 Neither the resolution nor any other instrument by which a pledge is  
774 created need be recorded.

775     [(e)] (g) Neither the members of the authority nor any person  
776 executing the bonds shall be liable personally on the bonds or be  
777 subject to any personal liability or accountability by reason of the  
778 issuance thereof.

779     [(f)] (h) The authority shall have the power out of any funds  
780 available to purchase, as distinguished from the power of redemption  
781 above provided, any bonds issued by it at a price of not more than the  
782 principal amount thereof and accrued interest, and all bonds so  
783 purchased shall be cancelled.

784     [(g)] (i) In the discretion of the authority, the bonds may be secured  
785 by a trust indenture by and between the authority and a corporate  
786 trustee, which may be any trust company or bank having the powers

787 of a trust company. Such trust indenture may contain such provisions  
788 for protecting and enforcing the rights and remedies of the  
789 bondholders as may be reasonable and proper and not in violation of  
790 any law, including covenants setting forth the duties of the authority  
791 in relation to the construction, maintenance, operation, repair and  
792 insurance of the properties and the custody, safeguarding and  
793 application of all moneys, and may provide that the properties shall be  
794 constructed and paid for under the supervision and approval of  
795 consulting engineers. The authority may provide by such trust  
796 indenture or other depository for the methods of disbursement thereof,  
797 with such safeguards and restrictions as it may determine. All  
798 expenses incurred in carrying out such trust indenture may be treated  
799 as part of the cost of maintenance, operation and repair of the  
800 properties. If the bonds are secured by a trust indenture, bondholders  
801 shall have no authority to appoint a separate trustee to represent them.

802 [(h)] (j) Notwithstanding any other provision of sections 1 to 33,  
803 inclusive, of [this act] special act 77-98, as amended by special act 78-  
804 24, special act 84-46 and this act, any resolution or resolutions  
805 authorizing bonds or notes of the authority shall contain a covenant by  
806 the authority that it will at all times maintain rates, fees, rentals or  
807 other charges sufficient to pay, and that any contracts entered into by  
808 the authority for the sale and distribution of water or the collection of  
809 wastewater shall contain rates, fees, rentals or other charges sufficient  
810 to pay, the cost of operation and maintenance of the properties and the  
811 principal of and interest on any obligation issued pursuant to such  
812 resolution or resolutions as the same severally become due and  
813 payable, and to maintain any reserves or other funds required by the  
814 terms of such resolution or resolutions.

815 [(i)] (k) If any officer of the authority whose signature or a facsimile  
816 of whose signature appears on any bonds or coupons ceases to be such  
817 officer before delivery of such bonds, such signature or such facsimile  
818 shall nevertheless be valid and sufficient for all purposes as if he had  
819 remained in office until such delivery.

820 Sec. 18. Section 23 of special act 77-98 is amended to read as follows  
821 (*Effective from passage*):

822 The authority shall have the power and is authorized to issue  
823 negotiable [bond anticipation] notes and may renew the same from  
824 time to time, but the maximum maturity of any such note, including  
825 renewals thereof, shall not exceed five years from date of issue of such  
826 original note. Such notes shall be paid from any moneys of the  
827 authority available therefor and not otherwise pledged or from the  
828 proceeds of the sale of the bonds of the authority in anticipation of  
829 which they were issued. The notes shall be issued and may be secured  
830 in the same manner as the bonds and such notes and the resolution or  
831 resolutions authorizing such notes may contain any provisions,  
832 conditions or limitations which the bonds or a bond resolution of the  
833 authority may contain. Such notes shall be as fully negotiable as the  
834 bonds of the authority.

835 Sec. 19. Section 29 of special act 77-98 is amended to read as follows  
836 (*Effective from passage*):

837 Insofar as the provisions of sections 1 to 33, inclusive, of [this act]  
838 special act 77-98, as amended by special act 78-24 and this act, are  
839 inconsistent with the provisions of any other general or special act or  
840 any municipal ordinance, the provisions of sections 1 to 33, inclusive,  
841 of [this act] special act 77-98, as amended by special act 78-24 and this  
842 act, shall be controlling; provided nothing contained in sections 1 to 33,  
843 inclusive, of [this act] special act 77-98, as amended by special act 78-  
844 24, special act 84-46 and this act, shall exempt the authority from  
845 compliance with zoning regulations lawfully established by any  
846 municipality, except that the plants, structures and other facilities of  
847 the water supply system or the wastewater system owned or operated  
848 by the authority shall be permitted uses in all zoning districts in every  
849 city, town or borough within the district; and provided further that the  
850 authority may not construct purification or filtration plants or  
851 wastewater treatment plants in any zoning district in which such use is  
852 not permitted under local zoning regulations without first obtaining

853 approval of the proposed location of such facility from the  
854 representative policy board following a public hearing.

855 Sec. 20. Section 30 of special act 77-98, as amended by section 10 of  
856 special act 78-24, is amended to read as follows (*Effective from passage*):

857 (a) The authority or any person who is aggrieved by a decision of  
858 the representative policy board with respect to the establishment of  
859 rates or charges, the establishment of land use standards and  
860 disposition policies, the sale or other transfer or change of use of real  
861 property, the location of purification, [or] filtration or wastewater  
862 treatment plants, the commencement of any project costing more than  
863 [one] two million dollars to repair, improve, construct, reconstruct,  
864 enlarge or extend any of the properties or systems of the authority or  
865 the acquisition by purchase, lease or otherwise of any existing water  
866 supply system, wastewater system or part thereof, other than the  
867 purchase of all or any part of the properties and franchises of the New  
868 Haven Water Company, is entitled to [judicial] review [under] by the  
869 Superior Court as provided in this section. For the purposes of this  
870 section the holders of any bonds or notes of the authority and any  
871 trustee acting on behalf of such holders shall be deemed aggrieved  
872 persons with respect to any decision of the representative policy board  
873 which violates any covenant or other provision of the resolution or  
874 resolutions authorizing such bonds or notes.

875 (b) Proceedings for review shall be instituted by filing a petition in  
876 the [court of common pleas] Superior Court for the judicial district of  
877 New Haven [County] within [thirty] forty-five days after publication  
878 of the decision of the representative policy board or, if a rehearing is  
879 requested, within [thirty] forty-five days after the decision thereon.  
880 Copies of the petition shall be served upon the representative policy  
881 board and published in a newspaper or newspapers having a general  
882 circulation in each town or city comprising the district.

883 (c) The filing of the petition shall not of itself stay enforcement of the  
884 decision of the representative policy board. The representative policy

885 board may grant, or the reviewing court may order, a stay upon  
886 appropriate terms, provided enforcement of a decision respecting the  
887 establishment of rates or charges may be stayed only after issuance of a  
888 judgment for the appellant by the reviewing court.

889 (d) Within thirty days after service of the petition, or within such  
890 further time as may be allowed by the court, the representative policy  
891 board shall transmit to the reviewing court the original or a certified  
892 copy of the entire record of the proceeding under review, which shall  
893 include the representative policy board's findings of fact and  
894 conclusions of law, separately stated. By stipulation of all parties to the  
895 review proceedings, the record may be shortened. A party  
896 unreasonably refusing to stipulate to limit the record may be taxed by  
897 the court for the additional costs. The court may require or permit  
898 subsequent corrections or additions to the record.

899 (e) If, before the date set for hearing, application is made to the court  
900 for leave to present additional evidence, and it is shown to the  
901 satisfaction of the court that the additional evidence is material and  
902 that there were good reasons for failure to present it in the proceeding  
903 before the representative policy board, the court may refer the case  
904 back to the board with instructions to take such evidence as the court  
905 directs. The representative policy board may modify its findings and  
906 decision by reason of the additional evidence and shall file that  
907 evidence and any modifications, new findings, or decisions with the  
908 reviewing court.

909 (f) The review shall be conducted by the court without a jury and  
910 shall be confined to the record. In cases of alleged irregularities in  
911 procedure before the representative policy board, not shown in the  
912 record, proof thereon may be taken in the court. The court, upon  
913 request, shall hear oral argument and receive written briefs.

914 (g) The court shall not substitute its judgment for that of the  
915 representative policy board as to the weight of the evidence on  
916 questions of fact. The court [may] shall affirm the decision of the

917 representative policy board [or remand the case for further  
918 proceedings. The court may reverse or modify the decision if] unless  
919 the court finds that the substantial rights of the appellant have been  
920 prejudiced because the representative policy board's findings,  
921 inferences, conclusions, or decisions are: (1) In violation of  
922 constitutional provisions, the general statutes or the provisions of this  
923 or another special act; (2) in excess of the authority of the  
924 representative policy board; (3) made upon unlawful procedure; (4)  
925 affected by other error of law; (5) clearly erroneous in view of the  
926 reliable probative, and substantial evidence on the whole record; or (6)  
927 arbitrary or capricious or characterized by abuse of discretion or  
928 clearly unwarranted exercise of discretion. If the court finds such  
929 prejudice, it shall sustain the appeal and, if appropriate, may render a  
930 judgment under subsection (h) of this section or remand the case for  
931 further proceedings.

932 (h) If a particular representative policy board action is required by  
933 law, the court, on sustaining the appeal, may render a judgment that  
934 modifies the representative policy board decision, orders the  
935 representative policy board action, or orders the representative policy  
936 board to take such action as may be necessary to effect the particular  
937 action.

938 [(h)] (i) In any case in which an aggrieved party claims that he  
939 cannot pay the costs of an appeal under this section and will thereby  
940 be deprived of a right to which he is entitled, he shall, within the time  
941 permitted for filing the appeal, file with the clerk of the court to which  
942 the appeal is to be taken an application for waiver of payment of such  
943 fees, costs and necessary expenses, including the requirements of  
944 bond, if any. The application shall conform to the requirements of  
945 section 28A of the Practice Book. After such hearing as the court  
946 determines is necessary, the court shall enter its judgment on the  
947 application, which judgment shall contain a statement of the facts the  
948 court has found, with its conclusions thereon. The filing of the  
949 application for the waiver shall toll the time limits for the filing of an  
950 appeal until such time as a judgment on such application is entered.

951        [(i)] (j) Neither the authority nor the representative policy board  
952 shall be construed to be an agency within the scope of chapter 54 of the  
953 general statutes.

954        Sec. 21. Section 12 of special act 78-24 is amended to read as follows  
955 (*Effective from passage*):

956        Neither the members of the authority, [nor] any person acting in its  
957 behalf nor any member or employee of the representative policy board,  
958 while acting within the scope of their authority shall be subject to any  
959 personal liabilities resulting from the erection, construction,  
960 reconstruction, maintenance or operation of the properties or any of  
961 the improvements of the authority or a subsidiary corporation or  
962 resulting from carrying out any of the powers expressly given in  
963 special act 77-98, as amended by [this act] special act 78-24, special act  
964 84-46, special act 99-12 and this act.

965        Sec. 22. Section 22a-358 of the general statutes is repealed and the  
966 following is substituted in lieu thereof (*Effective January 1, 2003*):

967        (a) Whenever any public water system has water reserves in excess  
968 of those required to maintain an abundant supply of water to  
969 inhabitants of its service area, such system may sell such excess water  
970 to any other public water system upon approval of the Commissioner  
971 of Public Health. Such approval shall be given only after (1) the  
972 applicant has clearly established to the satisfaction of the  
973 commissioner that such abundant supplies are in existence and will  
974 continue to be in existence for [five] ten years, [or for such longer  
975 period as the applicant seeks permission to sell excess water] and (2)  
976 the purchasing community water system being supplied has agreed to  
977 restrict water usage in the same manner as the applicant when  
978 necessary in accordance with the emergency contingency provisions of  
979 the applicant's water supply plan. The commissioner shall make such  
980 determination on the basis of generally accepted engineering  
981 principles and techniques. The commissioner shall make an  
982 appropriate investigation in making such determination or [may] shall

983 have an investigation made by an independent person; in either event  
 984 the cost of such investigation shall be borne by the applicant.  
 985 Permission granted under this subsection shall be valid for such period  
 986 up to ten years as the commissioner shall approve, and may be  
 987 renewed in the same manner as an original application. "Public water  
 988 system" includes a corporation, company, municipality, political  
 989 subdivision, association, joint stock association, partnership or person,  
 990 or lessee thereof, owning, maintaining, operating, managing or  
 991 controlling any pond, lake, reservoir or distributing plant employed  
 992 for the purpose of supplying water for general domestic use in any  
 993 town, city or borough, or portion thereof, within this state. Permission  
 994 granted under this section shall be in addition to any approval or other  
 995 authorization which a public water system must by law receive from  
 996 the Department of Public Utility Control, and nothing in this section  
 997 shall be construed to impair the jurisdiction of the Department of  
 998 Public Utility Control.

999 (b) Any company, town, city, borough, corporation or person may  
 1000 appeal from any decision of said commissioner issued under the  
 1001 provisions of subsection (a) of this section to the superior court as  
 1002 provided in section 4-183.

This act shall take effect as follows:	
Section 1	<i>October 1, 2002</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>from passage</i>
Sec. 4	<i>from passage</i>
Sec. 5	<i>from passage</i>
Sec. 6	<i>from passage</i>
Sec. 7	<i>from passage</i>
Sec. 8	<i>from passage</i>
Sec. 9	<i>from passage</i>
Sec. 10	<i>from passage</i>
Sec. 11	<i>from passage</i>
Sec. 12	<i>from passage</i>
Sec. 13	<i>from passage</i>
Sec. 14	<i>from passage</i>

Sec. 15	<i>from passage</i>
Sec. 16	<i>from passage</i>
Sec. 17	<i>from passage</i>
Sec. 18	<i>from passage</i>
Sec. 19	<i>from passage</i>
Sec. 20	<i>from passage</i>
Sec. 21	<i>from passage</i>
Sec. 22	<i>January 1, 2003</i>

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

---

### ***OFA Fiscal Note***

***State Impact:*** None

***Municipal Impact:***

<b>Effect</b>	<b>Municipalities</b>	<b>FY 03 \$</b>	<b>FY 04 \$</b>
Revenue Gain	Various Municipalities	Potential Indeterminate	Potential Indeterminate
Savings	Various Municipalities	Potential Indeterminate	Potential Indeterminate

### ***Explanation***

The bill makes various changes to the South Central Connecticut Regional Water Authority's (henceforth "Authority") enabling legislation. The Authority is a non-profit public corporation and political subdivision of the State of Connecticut.

Its passage may facilitate the sale or transfer of a wastewater system from one or more municipalities to the Authority. If a sale or transfer occurs, an affected municipality may receive payments in accordance with any related agreement and may also experience budget savings if the town previously was responsible for the operations of the wastewater system. Any transfer or sale would be subject to the approval of the legislative body of the town, following a public hearing.

Substantive changes to the Authority's enabling legislation, which have no associated state or local fiscal impact include:

- Increasing the per diem reimbursement for members of the Authority's regional policy board (henceforth "Board") from \$50 to \$100 and limiting the chairman of the Board's per diem

payment to 1.5 times the amount paid to members;

- Increasing the minimum contractual amount above which certain competitive bidding practices must be followed from \$5, 000 to \$50, 000;
- Removing a prohibition on members or employees of the Board or the Authority from accepting items valued at less than \$10 (\$50 in aggregate over a calendar year) from parties that might contract with the Authority;
- Reducing from \$3 million to \$2 million the minimum value of a water supply system acquisition or related capital project about which the Authority must obtain approval of the majority of the Board members;
- Restricting payments in lieu of taxes to municipalities made by the Authority to only property related to the water supply system (reflects current practice);
- Allowing the Authority to issue a wider variety of bonds;
- Increasing from \$1 to \$2 million the minimum value of a capital project about which the Authority or any person aggrieved by a decision of the Board can request court review. It also extends from thirty to forty-five days after a decision of the Board the time in which a petition must be filed with the court; and
- Indemnifying any member or employee of the Board for liability resulting from activities of the Authority.

Other changes concerning the Authority are technical in nature or make minor changes which have no associated fiscal impact.

The bill also modifies current law concerning the sale of water reserves by one public water system to another. Current law requires a water company seeking approval of the sale of its excess water to

establish the abundance of its water supplies for: (a) five years into the future, or (b) the period during which it seeks permission to sell excess water, whichever is longer. The bill changes this time period to ten years. It also requires a purchasing community water system to agree to water usage restrictions consistent with those of the selling water system when needed. These changes would be effective on and after January 1, 2003, and may prompt a workload decrease for the Department of Public Health if fewer applications are submitted. It also may impact the ability of municipally affiliated water companies to sell or procure water reserves.

The bill also provides that regional water pollution control authorities have jurisdiction only over the parts of the constituent municipalities agreed upon by the member towns. Currently, the jurisdiction of the authority matches the outermost boundaries of its member towns. No fiscal impact is anticipated from this change. The change could result in the transfer of cases between superior courts in different judicial districts. It is anticipated that few cases would be transferred under the bill. As such, the bill would have a negligible fiscal impact on superior court operations.

Other changes made within the bill are technical in nature and have no associated fiscal impact.

House "A" makes changes to the South Central Connecticut Regional Water Authority's enabling legislation which could result in a revenue gain and/or savings to affected municipalities and also modifies current law concerning the sale of water reserves which could result in a workload decrease for the Department of Public Health.

---

**OLR Amended Bill Analysis**

HB 5210 (as amended by House "A")\*

**AN ACT CONCERNING REGIONAL WATER POLLUTION  
CONTROL AUTHORITY JURISDICTION****SUMMARY:**

This bill redefines the boundaries of regional water pollution control authorities' jurisdiction. Under current law, the jurisdiction of an authority matches the outermost boundaries of its member towns. Under the bill, an authority has jurisdiction only over areas agreed upon by the member towns. It specifies that a Superior Court within a judicial district that includes an area within the authority's boundaries has jurisdiction over an authority dispute.

The bill tightens conditions under which a public water system can sell excess water (i.e., water above the amount needed to properly supply inhabitants of a service area). Current law allows the public health commissioner to permit a public water system to sell excess water only if it can show that an abundant supply exists for its service area for five years. Under the bill, the system must show that it has an abundant supply for 10 years and requires the purchasing system agree to an emergency water usage restriction in concurrence with that of the supplying system. By law, a system's permission to sell excess water is valid for 10 years and may be renewed with the commissioner's approval. The bill also specifies that public water systems include those owned and operated by municipalities and political subdivisions and makes a technical change.

The bill expands the South Central Connecticut Regional Water Authority's purpose to include purchasing and managing wastewater systems and conserving water and makes many conforming technical changes to its special act charter (SA 77-98). The bill also expands the ways the authority can repay bonds and makes changes to provisions governing bidding, employee indemnification and code of ethics, board member compensation, and appeals of board decisions.

\*House Amendment "A" tightens conditions for selling excess water and amends the South Central Connecticut Regional Authority's charter.

EFFECTIVE DATE: Upon passage for changes to the South Central Connecticut Regional Authority's charter; October 1, 2002 for regional water pollution control authorities' jurisdiction; and January 1, 2003 for sale of excess water by public water systems.

## BACKGROUND

### *Legislative History*

On April 10, the House referred the bill (File 290) to the Judiciary Committee, which favorably reported it on April 15. On April 17, the House referred the bill to the Planning and Development Committee, which favorably reported it on April 22.

## COMMITTEE ACTION

### Environment Committee

Joint Favorable Change of Reference  
Yea 24 Nay 0

### Public Health Committee

Joint Favorable Report  
Yea 24 Nay 0

### Judiciary Committee

Joint Favorable Report  
Yea 35 Nay 1

### Planning and Development Committee

Joint Favorable Report  
Yea 17 Nay 0